

S. B. 271

CHAPTER 390

AN ACT TO PERMIT COUNTIES, CITIES, AND TOWNS TO PROVIDE OLD AGE SECURITY FOR OLD AND INCAPACITATED LOCAL GOVERNMENT EMPLOYEES, TO PROVIDE FOR THE CREATION OF A RETIREMENT FUND THROUGH THE JOINT CONTRIBUTIONS OF EMPLOYERS AND EMPLOYEES, AND TO PROVIDE MACHINERY FOR THE PROPER ADMINISTRATION OF THIS ACT.

The General Assembly of North Carolina do enact:

SECTION 1. *Definitions.* The following words and phrases as used in this Act, unless a different meaning is plainly required by the context, shall have the following meanings: Definitions.

(1) "Retirement System" shall mean the North Carolina Governmental Employees' Retirement System as defined in this Act. "Retirement system."

(2) "Employer" shall mean any county or incorporated city or town participating in the Retirement System. The North Carolina League of Municipalities and the office of the Retirement System shall be classed as employers eligible to participate in the Retirement System. "Employer."

(3) "Employee" shall mean any person who is regularly employed in the service of and whose salary or compensation is paid by the employer as defined in Subsection two of this section, whether employed or appointed for stated terms or otherwise, except teachers in the public schools and except such employees who hold office by popular election as are not required to devote a major portion of their time to the duties of their office. In all cases of doubt the board of trustees shall decide who is an employee. "Employee."

(4) "Member" shall mean any person included in the membership of the Retirement System as provided in Section four of this Act. "Member."

(5) "Service" shall mean service as an employee as described in Subsection three of this section and paid for by the employer as described in Subsection two of this section. "Service."

(6) "Prior Service" shall mean the service of a member rendered before the first day of July, nineteen hundred thirty-nine, certified on a prior service certificate and allowable as provided in Section six of this Act. "Prior Service."

(7) "Membership Service" shall mean service as an employee rendered while a member of the Retirement System. "Membership Service."

(8) "Creditable Service" shall mean "Prior Service" plus "Membership Service" for which credit is allowable as provided in Section six of this Act. "Creditable Service."